



We Will Facilitate You to Do Business, Minister Kasaija Tells Taxpayers

Securing Trade in the Northern Corridor Through the Gulu Logistics Hub

Uganda's trade facilitation efforts were recently boosted with the handing over of Gulu Logistics Hub to the Uganda Revenue Authority by the Uganda Railway Corporation (URC). ... **Continue to page 22**

Emerging Threats of FinTechs to Revenue Mobilization in Uganda

Uganda's fintech sector has seen an explosive rise over the past few years, as evidenced by the disruptions it has caused to the traditional banking systems. **Continue to page 34**

FOREWORD FROM THE COMMISSIONER GENERAL

It is with great optimism that I share with you the progress we have made in the past few years. Our national revenue has steadily grown, reaching 14% of our GDP, up from 12%. While this is a positive indicator of our economic direction, we must acknowledge that much work remains to be done to meet the needs of our country and fulfill our national obligations.

For a nation to truly develop, it is critical that we collect at least 20% of GDP in revenue. The East African average stands at 16%, and while we have made commendable strides, there is still a long road ahead. However, I firmly believe that together, we can achieve this goal.

I am deeply grateful to the hardworking men and women across the nation who have contributed to our success. As of now, we have achieved a surplus of 11 trillion shillings in the first five months of this financial year. Our target for the year is 32 trillion shillings, and we are confident that we will surpass this goal.

Our mission is clear: to collect sufficient revenue to ensure the government can provide vital social services to all Ugandans. To accomplish this, we are embracing innovation. We have introduced a range of initiatives such as the web-based pre-filled return, the Electronic Receipting and Invoicing System (EFRIS), Digital Tax Stamping (DTS) for manufacturers, and an enhanced Customer Relationship Management system. We are also strengthening our operations at the borders through Non-Intrusive Inspection (NII) scanners, and implementing new solutions like the Bond Warehouse Management System, Rental Tax Income Management, and a Call Centre that offers multi-channel support for taxpayers.

We are focused on closing revenue leakag-

es through advanced technologies, intelligence-driven operations, and an expanded presence across the country. Most importantly, we are committed to empowering our taxpayers with the information they need to ensure voluntary compliance.

In addition to these innovations, we are dedicated to tackling corruption within the system. Through our Integrity Compliance and Ethics Division, we have dismissed over 144 staff members over the past four years following thorough investigations. We are committed to a zero-tolerance policy toward corruption and encourage everyone to report unethical practices. It is crucial that we, as a nation, stand united against corruption and foster a culture of transparency and integrity.

Furthermore, we are enhancing tax education nationwide by establishing tax education offices in all regions, expanding the tax academy to build the capacity of our staff, and launching media campaigns in partnership with Vision Group to encourage public engagement.

I encourage you, our readers, to fulfill your responsibilities as citizens. Together, we can ensure the prosperity and economic independence of our beloved nation.

As we strive towards greater achievements, let us be reminded of this verse from the Bible:

"Commit to the Lord whatever you do, and he will establish your plans." – Proverbs 16:3

Together, in faith and unity, we can make a difference.

John Rujoki Musinguzi,
Commissioner General





Editor's Note

ROBERT KALUMBA

**AG. ASSISTANT COMMISSIONER,
PUBLIC & CORPORATE AFFAIRS, URA**

Fellow Citizens,

It is with great pleasure that we present to you this year's edition of the URA Newsletter, offering a detailed insight into the work that the Uganda Revenue Authority (URA) continues to do in fostering community and national development. As we draw closer to the end of the first half of the Fiscal Year 2024/25, it is an opportune moment for us to reflect on the progress we've made as a nation and contemplate where we want to be on our journey toward self-economic reliance.

I would like to take this moment to sincerely appreciate the men and women of Uganda who have generously contributed to the noble cause of revenue mobilization. Your sacrifices are invaluable, and we do not take them for granted. It is through your hard work and commitment that we are building the foundation for a more prosperous Uganda.

At URA, we remain committed to making sure that every Ugandan is involved in this important process. We are working tirelessly to ensure that taxpayers not only understand their roles and obligations but also feel heard and valued.

One of our key initiatives in this effort is the ongoing Buuz Kamisona Campaign; a project in collaboration with the Vision Group, where taxpayers can send in their questions to Bukedde newspaper and receive direct responses from our Commissioner General, John Rujoki Musingu. This initiative demonstrates our commit-

ment to transparency and dialogue with the people we serve.

Furthermore, I am pleased to welcome you from the Taxpayer Appreciation Season—a special time when we take the opportunity to recognize and honor those who have reliably contributed to the development of our nation.

This year, we extended our appreciation beyond Kampala to the regions, engaging directly with taxpayers to visit their businesses, hear their concerns, and understand the challenges they face. Your feedback was invaluable, and we are dedicated to continuing this dialogue and collaboration.

In the spirit of open communication, I am also proud to share that we now have a fully operational call center to assist with any inquiries you may have. Our social media handles are also active and ready to serve you, ensuring that we are always within reach for any questions or concerns you may have.

I urge all of us to embrace our roles in national development and revenue mobilization. It is only through our collective effort that we can build a self-reliant Uganda.

Lastly, I hope you enjoy reading this quarter's newsletter as it captures our collective achievements and progress toward a prosperous future.

Blessings to all.

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Members of the Uganda Police Force receive Commissioner General's Award at the Tax Payer Appreciation Dinner.



We Will Facilitate You to Do Business, Minister Kasaija Tells Taxpayers

By Kamugisha Kabahweza Allan

The Minister for Finance, Planning, and Economic Development, Hon. Matia Kasaija, urged traders to approach the government for facilitation in carrying out their businesses that contribute to Uganda's development.

Speaking at the Uganda Revenue Authority's Taxpayers Appreciation Awards Day on December 11, 2024, at Nakawa Headquarters, Kasaija said that the government knows where low-interest money is available and called on traders to seek guidance.

"We congratulate you for a job well done, and we will support you in your enterprises. We have different schemes from our banks. If your business is facing constraints, come to my office. I will show you where you can get money at a fairly low cost," the Minister said.

He thanked taxpayers for paying their fair share of taxes, adding, "You have pushed us to a level we are very proud of, and the economy is moving forward."

On the issue of corruption, Hon. Kasaija emphasized that those stealing taxpayers' money will be defeated. "There are people

who are stealing our money, but I can assure you, we will defeat them. We will deal with those who mishandle the funds," he declared.

Addressing the taxpayers at TPAD24, URA Commissioner General John R. Musinguzi expressed appreciation, noting that their consistent compliance has helped Uganda recover from global economic shocks. He explained that their contributions have enabled the government to build infrastructure that connects people, businesses, opportunities, and provides security, peace, and stability.

"Taxes are not merely a financial contribution, but an investment in our collective aspirations. They fund the education of our children, ensure quality healthcare for our communities, and build infrastructure," he said.

Musinguzi further stated that taxes drive innovation and job creation, enabling a broad spectrum of essential services that underpin national progress and transformation.

He noted that the collective effort of taxpayers and the taxman is vital in driving Uganda toward economic independence and self-reliance, reducing the country's

dependency on external support. The Minister of State for Finance, Planning, and Economic Development (General Duties), Henry Musasizi, thanked taxpayers, saying they matter more to the economy than politicians. "The President has always told us, the politicians, that we don't matter much. Those who matter are the contributors to this economy—you, the taxpayers, whose contributions develop this country." He also thanked the Commissioner General and the URA staff for their tremendous work in collecting revenue for national development. "I know sometimes you spend sleepless nights because we give you unexpected targets, but you have endured all this, and you have continued to grow revenues year after year. I want to thank you so much," Musasizi said.

The Permanent Secretary/ Secretary to the Treasury, Ramathan Ggoobi, applauded the taxpayers for their compliance. "Thank you for complying with tax payment. It is because of you that, as a government, we are able to provide the public services needed, support businesses, and ensure the safety of individuals."

There were four types of awards presented: Excel, Vintage, Commissioner General's (CG), and Platinum.

The Excel Awards

1. UMEME Ltd
2. Tororo Cement Ltd
3. American Tower Corporation (ATC)

The Vintage Awards

1. Ms. Rugasira Judy
2. Participatory Ecological Land Use Management
3. Mr. Thakkar Sameer
4. East African Chains Uganda Ltd
5. Mothers to Mothers Uganda
6. Mr. Kalondo Moses
7. Multiline International Ltd
8. Mrs. Anna de Boer Santa
9. One World Health Ltd
10. Mr. Jingo Selestin
11. Pag Mission Health Unit
12. Mr. Kinyera Henry
13. Angal St. Luke Hospital
14. Mr. Otim James
15. Taiabah International School
16. Fairway Hotel Ltd

The Commissioner General's Awards

1. Uganda Police Force
2. Federation of East African Freight Forwarders Association
3. New Vision Group
4. Mr. Abbey Mukibi

The Platinum Awards

1. Uganda Manufacturers Association (UMA)
2. Uganda Bankers Association (UBA)





Commissioner Executive Office Operations (CEO) Abel Kagumire on behalf of URA receives Best Government Agency of the Year award at the KACITA Excellence Award 2024.

URA Scoops the KACITA Excellence Award

By Kamugisha Kabahweza Allan

In October, Uganda Revenue Authority (URA) received the KACITA Excellence Award at the 4th edition of the KACITA Quality Awards 2024, in recognition of being the Best Government Agency of the Year.

Before presenting the award to URA, Kampala City Traders Association (KACITA) chairman Dr. Thadeus Musoke Nagenda commended the tax authority for its engagements during the year that helped end the traders' strike following the implementation of the Electronic Fiscal Receipting and Invoicing System (EFRIS).

"When EFRIS was implemented earlier this year, we didn't like it and closed our shops. But

URA engaged with us continuously, until the president gave directives regarding penalties, which URA was implemented," Musoke said.

He recalled a time when KACITA could not even engage with URA officials due to the challenges surrounding EFRIS, but noted that the issue has since been resolved, and both parties now work together harmoniously.

"Kagumire, here, can testify. URA had to call us for engagements to calm the situation, and I can proudly say that URA is very engaging. I believe that is why the public voted it as the best government agency of the year," he said.

Musoke also expressed appreciation for the current Tax

Waiver, which ends on 31st December 2024, urging all taxpayers to take advantage of the opportunity to clear their outstanding principal tax as of 30th June 2023.

Receiving the award at the Wonder World Auditorium in Kansanga, URA Commissioner for Executive Office Operations, Abel Kagumire, thanked KACITA management and the public for the confidence they have in URA as a government agency.

"Thank you so much for this award. At URA, we are doing our best to mobilize and collect revenue for the government, a task that is not always easy, as you witnessed during the traders' strike. But this award shows that you still trust us to carry out our mandate," said Kagumire.

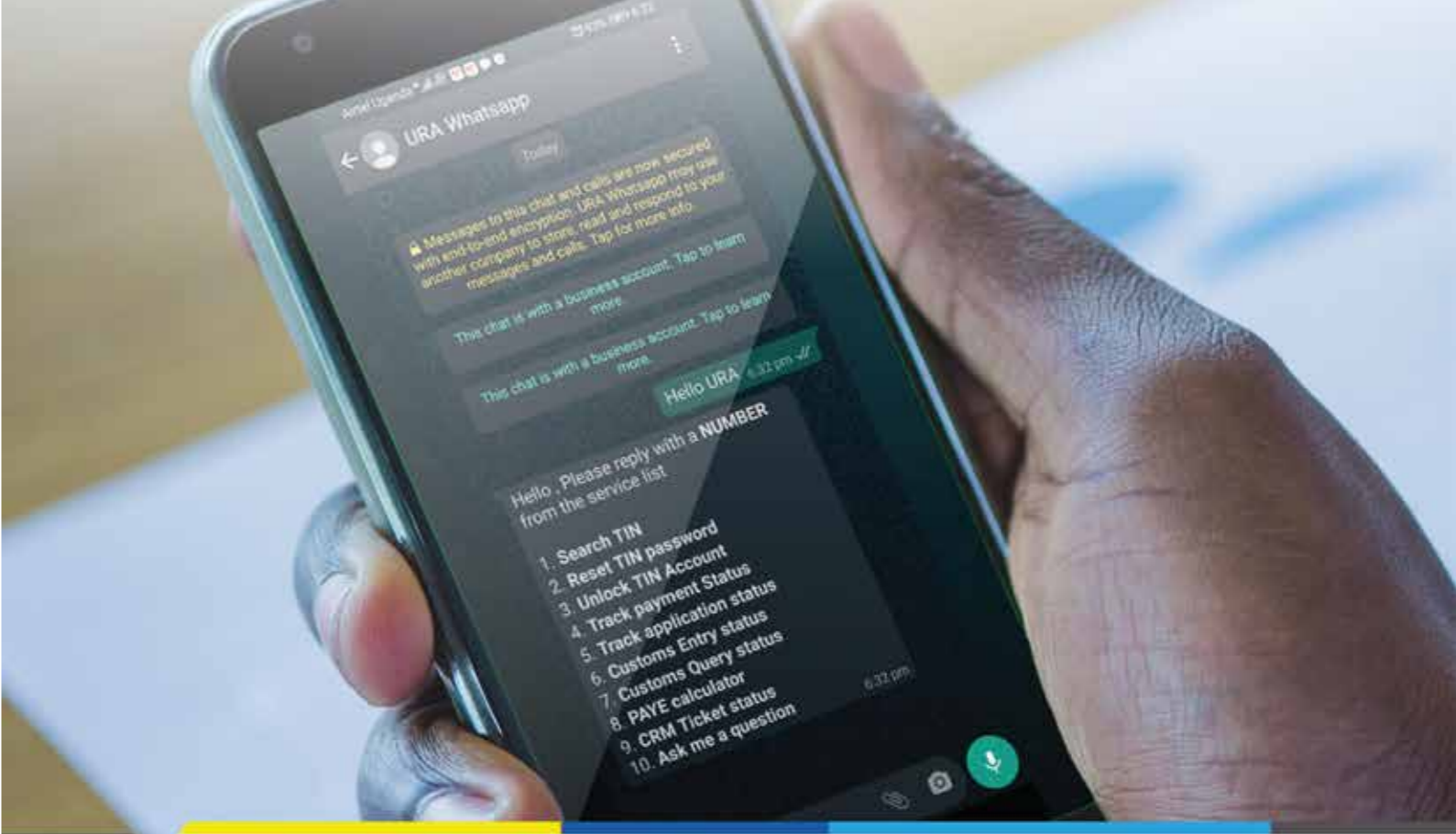
He encouraged taxpayers to always contact URA for any tax-related matters, stating, "URA is a client-centric agency, and we are here to help you become tax compliant as we build Uganda together."

The awards, organized under the theme "Celebrating Excellence, Inspiring Innovations," saw various organizations and personalities recognized, including Mercy Kainobwiso, Registrar General of the Uganda Registration Services Bureau (URSB), who was named the Outstanding Public Officer of the Year, and Uganda Communications Commission (UCC), which was recognized as the Outstanding Regulator of the Year. Other awardees included New Vision and several other companies.



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On the second left is the Deputy Governor of the Bank of Uganda, Dr. Michael Atingi-Ego, Commissioner General of URA, J.R. Musinguzi, and His Grace Paul Semogerere the Archbishop of Kampala Catholic Diocese during the Nsambya Babies run.

Restoring Hope: John Musinguzi's Story of Love for Poor and Vulnerable Children

By Joshua Niyonshima

When the name John Rujoki Musinguzi comes up, most people immediately associate it with his role as the Commissioner General of Uganda Revenue Authority (URA). Known for his strategic approach to revenue mobilization, Musinguzi has transformed URA's efficiency, increasing the national GDP from 12% to 14%, raising revenue targets to 27 trillion, and setting a bold target to surpass 32 trillion for the 2024/25 fiscal year. His leadership has moved URA from an enforcement-heavy model to one that prioritizes engagement and education, restoring the public's faith in the authority.

But there's another side to Musinguzi a side deeply committed to shaping the future of Uganda's children, especially the less privileged. This year, he has increasingly focused on giving hope to the most vulnerable members of society, particularly children in dire circumstances.

A shining example of Musinguzi's devotion to the welfare of children came to light during a charity walk organized by the Catholic Archdiocese of Kampala, in partnership with URA. The walk, held on September 28, 2024, aimed to raise funds for Nsambya Babies' Home, a shelter for abandoned and orphaned children. The event was a success, raising over 97 million shillings, which helped reunite fifteen children with their families.

Musinguzi's commitment to child welfare was further showcased when he attended the 25th anniversary celebrations of Noah's Ark Children and Youth Ministry, at the invitation of Uganda's First Lady, Hon. Janet Kataha Museveni. This event, which highlighted Noah's Ark's innovative approach to education, was a powerful platform for demonstrating how Uganda can support and empower its neglected youth through education, life skills, and vocational training. During her address, the First Lady com-

mended the ministry's work in uplifting Uganda's youth. For Musinguzi, his participation in the event was a direct endorsement of URA's belief in holistic national development, where social responsibility plays an integral role in shaping a better future for all Ugandans.

URA's commitment to social causes doesn't stop with children's welfare. Musinguzi, though unable to attend, showed his solidarity during the fourth edition of the annual Kampala Homecoming event. This event, held at Mestil Hostel in Kampala, aimed to raise funds for 200 Braille Bibles for the visually impaired. Organized by Rubiita Ministries and the Bible Society of Uganda, the initiative highlighted the importance of spiritual empowerment for all Ugandans, including those with disabilities.

URA, through its Ag. Assistant Commissioner of Public and Corporate Affairs Robert Kalumba, contributed five million shillings to the campaign and also donated a Braille



Grace Villa Girls entertaining guests at the Grace Villa night held at Protea Hotel on 23rd November 2024.



Visually impaired Fiona Komujuni reading a braille Bible at the Kampala Home Coming Event.



URA Ag. Assistant Commissioner of Public and Corporate Affairs, Robert Kalumba, delivering the Commissioner General's contribution towards the purchase of braille Bibles at the Kampala Homecoming event.



URA, Nsambya Babies Home staff, and children pose for a photo after delivering an 8 million contribution to the home.

Bible to Fiona, a resilient member of the blind community. Kalumba's message was clear: empowering every Ugandan, regardless of their challenges, is a vital part of the country's growth.

Further illustrating his dedication to social welfare, Musinguzi sent a URA delegation to a fundraising event in support of over 400 girls at Grace Villa, a shelter in Kabale Municipality. The event, held at Protea Hotel Kololo, aimed to raise funds to cover school fees and provide for the girls' basic needs. The evening was made even more poignant by a heartwarming performance from the girls of Grace Villa, who danced and sang "Heal the World," filling the room with an infectious warmth and hope for a better future.

URA, under Musinguzi's leadership, contributed two million shillings to the cause, further solidifying the organization's commitment to supporting vulnerable children and ensuring that every Ugandan has the chance to succeed.

A Vision for Uganda's Future

Musinguzi's involvement in these charity initiatives reflects his broader vision for Uganda's future one that is economically independent yet deeply compassionate.

His work proves that true patriotism isn't only about fostering economic growth. It's about building a society where every child, regardless of their background or circumstances, has the opportunity to thrive for the glory of God. John Rujoki Musinguzi is not just building a prosperous Uganda through fiscal policy; he is also restoring hope for the children who will one day shape the nation.



Seated at Centre, Pamela Angwech, the Founder and Executive Director of Gulu Women Economic Development and Globalization (GWED-G) receive an award from URA during regional taxpayer visits.

URA embarks on nationwide taxpayer engagements to boost tax compliance

By Immaculate Wanyenze and Irene Kabakama

In October, URA took a significant step towards promoting tax compliance and acknowledging the contribution of compliant taxpayers towards national development. The URA Management team participated in week-long engagements held in the regions of, West Nile, Mbarara Hoima and Mbale, bringing together political leaders, business leaders and community leaders.

The Commissioner General, John R. Musinguzi emphasized the importance of encouraging tax compliance, simplifying the tax payment process, clarifying tax obligations and ensuring transparency in revenue collection.

"By focusing on encouraging tax compliance, we will demystify paying tax, what taxes to pay and create transparency in revenue collection," he said.

For URA, these initiatives are part of the many routine stakeholder engagements the institution carries out to strengthen its relations and information sharing with partners as well as build increased awareness of its service offerings.

Robert Kalumba, the Assistant Commissioner Public & Corporate Affairs, noted that the regional engagements were part of the Taxpayer Appreciation Season aimed at bringing the taxman closer to the taxpayer to mobilise revenue.

During the engagements, taxpayers raised concerns about integrity, corruption, smuggling, high-handedness of URA officials, lack of transparency in tax assessments and delays in tax refund processes.

URA acknowledged these concerns and assured taxpayers of its commitment to addressing some of the issues raised by increasing taxpayer education and awareness and improving transparency in tax processes. On smuggling, taxpayers were encouraged to report to URA all suspicious trade practices in their areas to enable URA create a level trading ground for all legitimate traders.

For any corruption practices, irregularities, high handedness or other wrongdoings related to URA operations, the taxpayers were asked to report to the URA official contact details while ensuring protection of whistle blowers.

Meanwhile, the task of collecting enough revenue requires productive partnerships for Uganda to achieve full service delivery and economic independence. To this end, URA has continued to engage various taxpayer segments, listening to their challenges and addressing their concerns.

Beyond engaging stakeholders, URA conducts special taxpayer visits scheduled to keep abreast with clients' issues at their business premises. The tax advisory visits seek to sensitise taxpayers about new processes and systems and also address specific issues relating to compliance. These visits also enable the tax body to keep abreast with the dynamic business environment and clients are able to share useful feedback about the quality of our services for continuous improvement. URA leverages these engagements as best practices to model as an exemplary institution in terms of tax processes, systems and human capital.



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Hundreds of Kakumiro residents line-up to pay Stamp Duty to enable them to acquire their land titles.



URA, Lands Ministry Facilitate Acquisition of over 2,000 Land Titles in Kakumiro

By Dismas Nuwaine

Officials from Uganda Revenue Authority (URA) and the Ministry of Lands, Housing, and Urban Development camped in Kakumiro District from November 25th to December 5th to facilitate the transfer of land titles through the payment of stamp duty by recipients of land titles under the ongoing countrywide systematic land demarcation program.

Dorcus Okalany, the Permanent Secretary at the Ministry of Lands, Housing, and Urban Development explained in a memo that this initiative, once completed, will result in the transfer of over 3,000 land titles, previously held by the Uganda Land Commission, to beneficiaries, most of whom are farmers living in remote areas of the district. She said the initiative aims to establish clear and legally recognized land boundaries across the country.

According to Robert Kalumba, the Ag. Assistant Commissioner for Public and Corporate Affairs, URA deployed the Tujenge Bus—a mobile office with officials that aided in the payment of stamp duty, a prerequisite before any piece of land can be le-

gally transferred from one party to another. "This falls in line with our broader strategic goal of bringing essential services closer to the people," said Kalumba.

In Nalweyo Town Council, over 350 households in a half-square-mile area were served, covering over 320 acres of land. In Bukindo, the team assisted about 91 households across nearly 1 square kilometer of land. At the final stop, Nyamarunda Town Council, the team tackled the largest portion of the project, reaching over 1,550 households.

This initiative aligns with Uganda's broader push to modernize land management and resolve long-standing land disputes. John Byarugaba, the District Staff Surveyor in Kibaale, attested to this effort.

"In fact, this exercise has helped solve land disputes between individuals. People are coming peacefully to pay off their dues and transfer their land into their names," Byarugaba said.

Response from Area Locals
Kyaligonza Vincent, the Deputy Chief Administrative Officer (CAO) of Kibaale Dis-

trict and a resident of Nyamarunda Town Council, lauded URA and the Ministry of Lands for their support, arguing that the initiative will unlock significant development in the area.

Kyaligonza explained that for years, the absence of land titles had hindered investment, with many potential investors hesitant to engage in vast areas that only had temporary "bibanja" agreements, lacking the security that land titles provide.

"When you have a title, it becomes collateral. You can approach a bank for a loan, secure capital, and invest in business to generate more income," he said as he stood in line, with hundreds of others waiting to receive their papers. "This is something that we were yearning to receive, and people have embraced it. We are truly happy."

Isimbwa Gerevasi, an 89-year-old resident of Nalweyo Town Council, who had never held a land title, was among the residents to come and pay his stamp duty tax at the council offices.

For Gerevasi, though he is one-year short

of his 90th birthday, the prospect of getting his own land title brightened his face. "I have completed all the requirements necessary," he said after receiving his Payment Registration Number (PRN). "Finally," he continued, "I will lay claim to my own land."

During the exercise, Tukegumya Victoria, a 36-year-old mother of five, braved heavy early morning downpour to reach the council offices. She couldn't hide her excitement and was very optimistic about the government initiative.

"I am confident that after this process, I will have full ownership of my land," she told me, adding, "No one can come out of nowhere and grab it in any form."

This initiative is guided by the National Land Policy of 2014 and the Land Sector Strategic Plan II, both of which aim to enhance land tenure security, reduce conflicts, and improve the overall efficiency of land administration.

For many in Uganda's rural areas, where land disputes have been a common challenge, this effort provides a crucial solution to long-standing problems.





Seated at the center is the Director of NCDC, Dr. Grace K. Baguma, at the opening ceremony of the Polytechnic tutors' training in the Tax Curriculum.

180 Polytechnic tutors trained ahead of the Tax Curriculum rollout

By Robert Lumanyika Wamala

During our school days, and many of you can bear me witness, teachers used to be the centers of knowledge. In my primary school, a government-aided, church founded school, which I prefer to save for another day, we used to have teachers whose opinions on the subjects studied were unquestionable.

I remember Mr. Mukasa, who always proudly moved from the compound having discovered that his contemporaries had nick-named him a moving encyclopedia. Often, a teacher's opinion was equated

to a bible verse as truthful, seldom questioned, even when he or she was seemingly not confident about the subject.

The current times are a little different. The dynamic education system is witnessing a new wave that is shifting the new curriculum dispensation from a teacher-centred to a learner-centered method of instruction. Tutors are taking on the role of facilitation while learners generate knowledge. Teachers are increasingly taking on the role of adjusting learner views and focus group discussions and brainstorming are preferred methods of instruction.

In fact, role play, creating illustrations, and drama have taken over lecturing and copying notes. This has called for devising effective ways of instructing learners, lest the instructor remains irrelevant.

Retooling tutors has therefore become urgent. In its desire to popularise taxation among school-going learners, Uganda Revenue Authority signed a memorandum of understanding with the National Curriculum Development Center in 2018. In this MOU, the two institutions officially agreed to foster taxation in all institutions of learning through inculcating taxation at different levels of learning beginning with

secondary schools.

Taxation at the secondary level now sits under the economics and entrepreneurship subjects at advanced and ordinary levels and is being examined by the Uganda National Examinations Board. This financial year the two agencies are directing effort to implementing a curriculum for tertiary institutions.

These are training centers for the majority of business operators and impart job creation skills that aid graduates to start-up enterprises namely mechanical repairs, construction, transport, restaurants, and salons among others.

Often times, however, most of these graduates from these institutions get to the job market without tax knowledge and skill, which risks an increment in informality thereby eroding the tax base.

Last year, NCDC and URA experts de-

veloped content for this curriculum which passed the required approval levels. Additionally, several documents targeting instructors and learners were designed, and are being printed, ready for distribution effective January 2025.

As part of full implementation, training tutors became a necessity, since roll-out required competent instructors. The three-day training that took place between the 19th and 22nd of December 2024 at Trinity College Nabbingo, was a precursor to effective implementation.

A joint team from URA and NCDC trained more than 180 tutors from various government and private polytechnics, also known as Business, Technical, Vocational Education, and Training (BTVET) institutions.

While officiating at the opening of the training, the Executive Director of NCDC, Grace Baguma tasked URA to foster accountability, not only through tasking

agencies that have been funded by taxpayer money to offer the required services, but also interest the masses to play their role in demanding service delivery.

The training centred on teaching-learning methods, effective instruction, government revenue, tax administration, tax compliance, and tax computation among others.

Participants were also provided with the URA e-service platform as they navigated the URA website, and its service offering, e-processes such as TIN registration, return filing, payment, and invoicing among others.

URA believes that when people are made aware of their obligations at early stages, the story of non-compliance will be addressed in a few years. URA is expanding its horizon to primary and elementary levels of education, focusing on inculcating tax in primary education schools' curriculum, that is currently under review.



Tax Officers Deliver Early Christmas to Several Communities Across East Africa

By Annet Nantongo

"Believe there is good in the world, be the change" is a common phrase for URA when it's time to file our annual social return. These acts of generosity create ripple effects, with benefits that span generations and etch the goodness of good deeds into the minds of those we reach out to.

This year, the annual staff CSR campaign resounded loudly, as usual, with staff from across the country coming out to give. The Bible says it is more blessed to give than to receive. The 16 stations that participated will most definitely remember December

6th, 2024. It will return in full measure, giving the Taxman favor with the communities in which we are located.

A journey through some of URA's giving platforms this year dates back to September 28th, 2024, when URA, together with the Kampala Catholic Archdiocese, organized a charity walk that raised UGX 97 million to support Nsambya Babies' Home. The walk, led by URA Commissioner General John Musinguzi, raised significant donations for the home and will forever remain a cherished gesture.

In the same spirit of giving, URA's Commis-

sioner General, on November 23rd, 2024, spearheaded a fundraiser aimed at supporting the education and well-being of over 400 girls at Grace Villa, a shelter for vulnerable girls located in Makanga Hills, Kabale Municipality.

Shortly thereafter, URA also donated UGX 5 million towards a fundraising drive to raise 200 Braille Bibles for the visually impaired community. This took place during the fourth edition of the Kampala Homecoming, the largest choral music concert, which was held at the Mestil Hotel on Saturday, November 9th, 2024. These are just some of the sprinkles of goodness from the Taxman

that citizens will always treasure.

Delving into what the staff offered from their own pockets, we are cognizant that the tradition of the annual URA staff CSR is that the initiative must be fully funded from the generous contributions of individual staff. This year, the 16 stations that participated catered to the health sector, environmental protection, orphaned and vulnerable communities, the visually impaired, and handicapped communities, to mention just a few.

In the health sector, Nsonga lightened the load for expectant mothers with mama kits at Kyangwali Health Center IV in Ki-

kuube District. The Mpondwe staff donated cement and iron sheets toward the completion of bathrooms for mothers at Nyabugando Health Centre III. The team also brought consumables for the patients, including sugar, bread, and soap. Team Mbale made it a Friday to remember for 300 children at Mbale Referral Hospital, where they donated 300 bars of soap and 300 kg of sugar. Goodwill and compassion were the driving factors behind donations of blankets and foodstuffs by the public sector and medium-tax offices to 60 mothers at China-Uganda Friendship Hospital in Naguru.

Seven orphaned and vulnerable communities received support from various URA staff who shared resources, food, essential items, and spent time with the children and families under the stewardship of these groups. The corporate services team spent time and resources with Salama School for the Blind, while Christmas came early for the little ones at Agape Charity Orphanage, courtesy of team Kampala North, who provided bedding and foodstuffs.

The tech gurus from IT donated essential items to support 200 pupils at the Uganda School for the Deaf. Tutors from the Tax Academy filed a similar social return with the Sisters of Charity and Kyoto for Disabled Children. In this same area, the Strategy and Risk Management staff shared an early Christmas with the Kireka Home for Children with Special Needs, delivering assorted items, including foodstuffs, detergents, and financial assistance. The business policy team acted as Santa to 60 children under the care of the Uganda National Association of Cerebral Palsy. They delivered toiletries, mattresses, diapers, straw mats, saucepans, bedding, clothes, foodstuffs, cake, and refreshments.

Team Mombasa also reached out to Crossroads Fellowship in the heart of Mombasa. They not only praised and worshipped with the over 100 needy families that the fellowship supports, but also donated food items, cleaning supplies, clothes, and shoes to help ensure a relatively celebratory Christmas for the group. The external operations team in Tanzania also offered assorted items to the UMRA Orphanage Centre in Magomeni. In Tororo, URA staff took the golden opportunity to clean the market, leaving it spotless.

Touched lives speak out

At China-Uganda friendship hospital-Naguru, Naluyange Victoria from Bukerere prayed URA to collect more revenue and touch many lives.

Tushabomwe Loyce from Rukunguri applauded URA staff for the good. She said indeed you are not only collectors but life savers.

Albert Kamugisha, Senior Consultant Pediatricians acknowledged URA's role in collecting revenue for national's development.

"It's good for you to understand that there is that kind of People. A such group that is vulnerable. It's good for People to have a good giving heart. It's better to give and give unreservedly without expecting anything."

For the last 20 years, URA's philanthropic contributions have left an indelible mark, creating an enjoyable working relationship with its stakeholders. We remain committed not only to making the community a better place but also to becoming the change we want to see in our country.

NON-INTRUSIVE INSPECTION (NII)

Key Benefits of NII

1. Eases and fastens examination of goods and cargo clearance process.
2. Easily detects contrabands and combats trade fraud such as concealments, mis-declarations and under declarations.
3. Maintains the international security chain thereby enhancing national security.
4. CBRN detectors are embedded to protect the environment from radiation.

Why sharing your TIN is a risk you can't afford!

By Rytter Muzira

Moses was going about his day when an unexpected email from the Uganda Revenue Authority (URA) landed in his inbox. The email confirmed receipt of his payment for transferring ownership of his motor vehicle—a transfer Moses hadn't initiated. Shocked, he realized someone had used his Taxpayer Identification Number (TIN) to complete the transaction. His car was being transferred without his knowledge, leaving Moses to grapple with the legal and financial fallout.

Stories like Moses' highlight the dangers of TIN misuse. Issued by URA, your TIN is much more than just a number – it's a gateway to your financial identity. Failing to safeguard it can lead to unauthorized transactions, financial losses, and legal troubles. Protecting your TIN is not just about following the law—it's about safeguarding yourself from potentially life-altering consequences.

URA uses your TIN to manage your tax obligations and communicate critical information such as updates, deadlines, and notifications. Now, imagine if someone else got hold of your TIN. They could intercept these messages and make unauthorized decisions that could leave you facing the consequences.

For importers and business owners, the

stakes are even higher. Customs clearing agents need access to your TIN to process the taxes for imported goods. If a fraudster takes control of your TIN, they could alter your customs transactions, leaving you to shoulder financial losses or deal with legal disputes. Unfortunately, even if you were unaware of the misuse, you're still responsible for resolving the mess.

Business owners must remain vigilant. A TIN is also essential for obtaining a trading license in Uganda, which is mandatory for operating legally. Any misuse of your TIN could lead to serious consequences. If URA detects suspicious activity linked to your TIN, they could deregister you, severely disrupting your operations and damaging your compliance record.

TIN misuse doesn't just affect customs or business operations, it can even impact tax refunds. Imagine applying for a refund, only to find that someone else has claimed it using your TIN. The result? Lengthy delays or outright denial of refunds that are rightfully yours.

To avoid unauthorized access to your TIN, it's crucial to take proactive steps to protect it. One effective measure is to regularly change the TIN password. By changing your password frequently, you can ensure that even if someone gains access to the old password, they won't be able to use it.

Additionally, do not share your email passwords with anyone. Since URA communicates vital tax information via email, sharing your email login details can compromise your TIN and expose your financial information to potential fraudsters. Treat your email password as an extension of your TIN security—keep it private and secure.

If you suspect that your TIN has been compromised, act immediately. Change your URA account password to block further access. Inform URA right away to halt any transactions. Additionally, ensure your contact information on file with URA is always up to date so you don't miss any critical notifications.

It's also important to remember that sharing your TIN is not only risky but also illegal. Under the Tax Procedures Code Act, your TIN is personal and cannot be shared with others. Allowing someone else to use your TIN can lead to charges of impersonation. If someone using your TIN fails to meet tax obligations or commits tax fraud, you will be held accountable for their actions, potentially facing fines and legal battles. In today's digital age, safeguarding your TIN should be a top priority. Treat it like your most valuable asset—because in many ways, it is.





Securing Trade in the Northern Corridor Through the Gulu Logistics Hub

By Andrew Ahimbisibwe and Akinyi Winiefred

Uganda's trade facilitation efforts were recently boosted with the handing over of Gulu Logistics Hub to the Uganda Revenue Authority by the Uganda Railway Corporation (URC).

This followed the signing of the Memorandum of Understanding (MOU) for joint occupation of the Gulu Logistics Hub where it was agreed under clause 4.1 that URA shall manage, maintain and assume the role of lead agency at the hub.

Located in the Layibi division, Gulu City, Gulu Logistics Hub is a dry port and multi-modal transport designed to improve the efficiency of cargo transportation infrastructure in Northern Uganda.

This is aimed at serving markets in the region i.e. South Sudan, and parts of the Democratic Republic of Congo (DRC) by providing a single point for the clearance of goods and the transfer of cargo between rail, and road transport.

The project is aligned with the National Development Programme (NDP II) objective that seeks to address the requirement for increasing the stock and quality of strategic infrastructure to accelerate the country's competitiveness.

Initially, the facility was to be run by a private operator under the Public Private Partnerships arrangement since URC did not have any funds secured to operate and maintain the Internal Container Depot (ICD).

However, following strategic stakeholder engagements, it was agreed that the facility be fully utilized by URA as a Regional Custom Designated Area (RCDA) and accord Government the opportunity to facilitate trade through a customs one-stop centre.

Consequently, GLH now serves as a designated area for transportation, organization, separation, coordination and distribu-

tion of goods for national and international transit trade on a commercial basis.

It will also be utilized for storage and warehousing, customs clearance and other value-added services like last-mile connectivity, packaging and re-export.

The operationalization of the GLH was conducted under a phased approach with export handling commencing on 21st October 2024.

In addition to facilitating exports, the hub has also enabled URA to secure trade in the area with several illicit goods being intercepted in Gulu city since the hub commenced operations.



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Driving Tonsookayo Kills More Than It Saves!

By Annet Nantongo

It is common to find drivers caught up in the morning and evening rush hours, laced with winding queues of Kampala's daunting traffic jams. In such scenarios, there is always a special breed of drivers doing the most. They shamelessly overtake more than 20 cars, trying to beat the jam to get to their destinations. Usually, in these situations, law-abiding drivers wonder, "Why didn't you wake up or set off earlier so you don't create this confusion on the road?"

These scenes are catalysts for worsening the traffic situation because these drivers eventually block oncoming traffic or create chaos at road intersections. In essence, reckless driving doesn't allow drivers the time to make sound decisions on the road because they feel entitled to the right of way, without regard for other road users.

As a result, you end up with a pile of cars stuck in a maze at a junction, with each driver feeling the need to pass before everyone else. This sense of entitlement occasionally leads to head-on collisions, damaged car bumpers, and sometimes nasty accidents with life-changing injuries or fatalities.

It's even worse with boda-boda riders, who often believe they have the right of way, cannot brake, or must get ahead of other road users. Most of them term it kuvuga tonsokayo, literally translated as "another driver shouldn't get there before I do."

While this is a glimpse into reckless driving, there are other ways you might be driving recklessly, with or without your knowledge. For example, driving with full-beam lights at night when another car is coming risks

blinding the other driver. Drivers who have no regard for indicators are a nightmare for other road users. You can't claim to be a driver and lack a sense of direction at the same time. Use those indicators and save lives.

An article from the Economic Policy Research Centre in May 2024 noted that Uganda has a traffic fatalities crisis, affecting everyone: pedestrians, cyclists, motorcyclists, and motorists. Pedestrians are the most likely to die in a crash, according to police figures. The World Health Organization estimates that road traffic accidents in Uganda cost the country 5 percent of its gross domestic product annually. This economic burden is aggravated by the expense of medical care, lost production, and property damage.

There's another breed of reckless drivers who fly through trading centers, even though the speed limit in these areas is 30 kph. Why would one risk crashing into a pedestrian or ramming into a shop just to avoid slowing down? This is in addition to driving cars that are rarely serviced or poorly maintained. At this point, I ask, when was the last time you serviced your car?

Overloading is also a reckless act on the part of a driver, especially for commercial vehicles. However, we have seen young people pack themselves into a car as they head out to their "plot" destination in order to keep the "vibe" in one car. Please remember that if you don't have a seatbelt in that car, then you should be boarding another one. The vibe won't offer you a spare life.

According to the 2022 Uganda Police Force (UPF) annual report, the country registered

20,394 cases of road accidents in 2022, compared to 17,443 the previous year. Out of every 100 crashes, 22 people died, while 61 percent of all accidents were a result of reckless driving.

We can't forget drunk drivers—if you must drink, hire a driver, book a ride with a sober friend, or hire an Uber. Don't kill yourself and other road users.

More Ugandan reports show that many drivers are reckless. For 8 days in April 2022, 9,278 traffic offenders were arrested and issued with EPS tickets for various traffic offenses at different checkpoints across the country. Of these, 1,868 were reckless drivers, 1,869 were driving without a valid driver's license (DMCs), 343 were speeding, 751 didn't wear seatbelts, and 520 motorcycle riders were not wearing helmets.

As you head out to catch the festivities in different parts of the country, remember to drive safely and responsibly. Remember, the penalty for causing an accident by reckless driving is a maximum fine of UGX 2,000,000 or a maximum sentence of one year in prison, or both, as per the Traffic and Road Safety Act of 1998 (as amended).

Key things to remember this festive season: don't overtake in non-overtaking zones, read road signs, follow speed limits, use your car lights responsibly, consider other road users, don't drink and drive, don't drive tonsokayo, and don't litter the roads with rubbish from your car.



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<https://touchpoint.ura.go.ug/>

BETTER CLIENT EXPERIENCE





Manager of Public Relations and Communications, Rytter Muzira, teaching the girls of Mt. St. Mary's Namagunga about tax.

Empowering Women and Youth; URA's Efforts in Ensuring Equity in Taxation

By Irene Kabakama

The Uganda Revenue Authority (URA) has taken significant strides to ensure that tax education reaches the hearts of Uganda's future leaders both women and girls.

On October 17, 2024, URA reached out to the next generation of Ugandan leaders with a training session to Mt. St. Mary's College Girls' in Ssendaula Hall at URA headquarters Nakawa. This session was part of a broader effort to instill the importance of tax compliance among young women.

"The goal is to empower students with the knowledge and understanding necessary to become ambassadors for tax education in their communities," stated Rytter Muzira Manager PR & Communications at URA.

Rytter recognised the role played by students in shaping Uganda's economic future, urging them to embrace their civic duties and recognize the value of taxes in supporting vital government development projects.

In addition to reaching students, URA has been working directly with women entrepreneurs in Eastern Uganda. Through workshops conducted in Tororo and Soroti districts, URA has focused on educating women business owners on their rights and obligations.

The workshops have served as a platform for women to understand their rights and obligations, including confidentiality, fair treatment, and access to professional services.

Participants were also guided on the practical side of business operations like registering their businesses, paying taxes on time, and ensuring sound financial management.

Akurut Jane a woman entrepreneur from Soroti, spoke to the significant impact these workshops had on her approach to business. "The sessions have provided critical insights into tax compliance and financial management," she said. "I now know how to avoid non-compliance and improve

management within my business."

Jemimah Chandiru of Tororo Domestic Taxes Office addressed specific challenges faced by women in the region, including information gaps and the importance of record-keeping. She emphasized the benefits of settling outstanding tax payments under provisions of the Section 47A of the Tax Procedure Code Act, which offer interest and penalty waivers.

Beyond these immediate benefits, the workshops align with government programs such as the Parish Development Model (PDM) and the Uganda Women Entrepreneurship Program (UWEP), both aimed at enhancing women's participation in the economy, emphasized Ms. Sarah Aguti, Community Development Officer for Soroti District.

Through these initiatives, the Uganda Revenue Authority is helping to shape a future where every Ugandan regardless of gender or age understands their role in the nation's economic prosperity.



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Uganda is now highly compliant with the international standards on EOI

By Joseph Balikuddembe and Akinyi Winiefred

Uganda recently garnered international recognition for its commitment to tax transparency, achieving a rating of “Largely Compliant” with the Global Forum Standards on Tax Transparency and Exchange of Information (EOI) for tax purposes.

This significant milestone was announced during the 48th Peer Review Group meeting of the Global Forum, held in Paris, France, from October 22 to 25, 2024.

The “Largely Compliant” rating is a testament to Uganda’s progress in implementing robust EOI mechanisms.

As the global economy faces increasing challenges related to offshore tax evasion,

this rating signals to Uganda’s peers—currently numbering 153 countries—that it possesses a strong and effective EOI architecture.

This framework ensures the availability and accessibility of crucial information necessary for combating tax evasion and fostering international cooperation in tax matters.

Strengthening future efforts

This recognition comes at a pivotal time as Uganda prepares to embark on the Automatic Exchange of Information (EOI) initiative. The standards and precedents established during this peer review will serve as a solid foundation for future undertakings in tax transparency and compliance.

By advancing its capabilities in EOI, Ugan-

da aims to further strengthen its tax administration, enhance revenue collection using EOI, and contribute to global efforts against tax evasion.

Additionally, Uganda’s achievement in securing a “Largely Compliant” rating marks a significant step forward in its journey toward becoming a more transparent and accountable nation in tax matters.

As the country continues to enhance its EOI framework, it sets the precedent for other nations striving for similar recognition, demonstrating the importance of international collaboration in addressing tax challenges in a rapidly changing global landscape.



All URA offices do not accept cash payments of any kind.

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URA Evaluates OSBP Readiness to Tackle Fires in Emergency Scenarios

By Dismas Nuwaine

The Goli One Stop Border Post (OSBP) fire simulation drill, held on November 22nd, marked the culmination of a series of critical safety exercises conducted across the country's OSBPs of Mutukula Busia, Malaba, Elegu, Mpondwe, Mirama Hills, Katuna and Ntoroko.

These initiatives were designed to “assess” and “strengthen” the readiness of border teams to respond effectively in the event of a real fire and to “plan the way forward” in managing such emergencies, according to Ronnie Bwire Wesonga, Manager of the Technical and Safety Section at URA, who led the execution team in the exercises.

“Fire, just like any other disaster, doesn't give much of a warning when it's going to strike,” said Ronnie. He added, “It's based on this understanding that we, as the safety section, are tasked with ensuring that our stations are ready to handle and combat such disasters, like fires, which pose a danger to our borders.”

The key components of the assessment at all OSBPs, according to Dan Wadanya, Supervisor of Occupational Safety, Health, and Environment (OSHE), included the speed and efficiency of the evacuation process, the effectiveness of communication, and the overall coordination between the different working groups at the border post.

Before the live drills, the team carried out extensive sensitization programs through the contractor Ambulance Africa, which trained border staff on rapid response protocols in the event of a real fire.

“I've been stationed here for three years, but this is the first time we're having training of this kind,” said Godfrey Tumuhairwe, Supervisor at the Busia OSBP, who thanked URA for these extensive drills. “It's a wake-up call. If a fire were to break out in such a busy area, it would be catastrophic. We definitely needed this.”

This preparation and strengthening of staff at the border posts does not come without precedent. A few months ago, at Malaba, a truck filled with inbound goods caught fire within the premises, sending shock waves across all OSBPs in the country.

“It burned completely and turned charcoal black,” recalled Oluca Jimmy, Supervisor of Malaba OSBP, as he recounted the harrowing incident. Fortunately, we managed to contain the fire before it spread to other vehicles.”

Similarly, in the early morning hours of August 13th, 2021, a fuel tanker carrying diesel destined for the Democratic Republic of the Congo burst into flames at the Goli Customs One Stop Border Post (OSBP).

On Sunday, May 28th, 2023, nearly two years later, a similar incident involving yet another fuel tanker left the residents of Bomah East village in Goli Custom, Jupangira Sub-county, Nebbi District, utterly shocked and demanding more fire safety precautions at the OSBPs.

“These two incidents highlight the urgent need for effective fire safety protocols and the ability to use firefighting equipment effectively,” said Lawrence Ongoma, a safety officer. “That's why we're committed to educating and training our community on fire safety.”



A Uganda Police Fire Fighter demonstrates Fire Extinguisher Usage at Busia OSBP





Impounded Smart Phones and used computers



URA tightens grip on illicit smugglers countrywide

By Annet Nantongo

Even with emphasis on deploying the 3Es strategy in enforcement, many illicit traders continued to push the taxman to apply enforcement over education and engagement. In the last three months, there have been several operations countrywide where assorted goods were recovered, including contraband items.

Some of the key featuring goods included smart phones, wheat, rice, cigarettes, fuel, textiles, used clothes, cooking oil, to mention but a few. Below, we give highlights from enforcement operations between October and December 2024.

A team of URA enforcement officers recovered assorted goods that were smuggled into Kampala's business hotspot, Kikuubo. The team confiscated over 150 bags of Mijaji tobacco worth UGX 700 million, Oris cigarettes, and wines that were impounded from only three stores in an operation towards disbanding illicit trade.

The goods were picked from Kikuubo Lane, Capital Quest Distributors, Kananura Building ground floor, with additional contraband picked from stores in H-08 and H-07 in Nabugabo Business Centre, following intelligence tip-off about this racket of traders.

URA occasionally destroys contraband health-damaging goods that are intercepted from such operations. From this recovery, the total weight of cigarettes and tobacco to be destroyed is 8034.2kgs and while 821.4 litres of wine and beer will also be destroyed. The confiscated goods will also pay over UGX 70 million in both taxes and fines.

At the Gulu Logistics hub on Thursday 04th December 2024, URA recovered over 63 cartons (3,125 bombas) of Supermatch cigarettes from a habitual smuggler in Layibi named Jane. The same smuggler was on 19th November implicated in a cigarette smuggling case where 34 cartons of cigarettes (1,700 bombas) were confiscated by URA. The said Jane has since disappeared

and is being looked for by the law enforcement officers.

In another operation, the enforcement team at Oraba intercepted 15 cartons of Oris slim apple cigarettes loaded onto a motorcycle on Thursday 05th December. In similar operations in November, URA's enforcement teams in Mbarara and Gulu have impounded two motor vehicles conveying 2,450 bombas of illegal cigarettes.

According to Frank Kanyike the in-charge Mbarara Enforcement, 750 bombas of Oris cigarettes were retrieved from a Tausi Bus Registration number UBN 345E in Lyantonde. The Gulu team seized 1,700 bombas of Supermatch cigarettes made in Uganda for export only aboard a Toyota Wish Registration number UBJ 359T was held near Pabbo Town Council along the Lamogi Ber road.

November in Namayingo, Namayemba, Busitema and Mbale saw URA recover 10,375kgs of rice and 6,000kgs of wheat. In Busitema, the team intercepted a Ugan-

dan Registered Truck UBL 482L/UBL088Q carrying transit Clinker to Rwanda, loaded with 4,840kgs of smuggled rice with brands such as Hilal, Mahmood, Sana and Baraf Pakistani rice that were concealed inside the clinker.

In Namayingo, the enforcement team recovered 750kgs of Indus rice on a double cabin truck registration number UBB627J used as the means of conveyance. Another smuggler was intercepted along Busia-Jinja road where a truck, registration number KCY237Q/ZE2410, was intercepted with 2,400 Kgs of assorted Pakistani rice, 13 bales of textile material, 7 bales of assorted garments, 4 rolls of curtain material and 5 bales of used undergarments.

In Namayemba, the Malaba enforcement team successfully picked up 2,385kgs of assorted Basmati rice that was uncovered from two consolidation centres. In Mbale, an Isuzu Elf, registration number UBG 568G, was nabbed in the enforcement trap and found loaded with 6,000kgs of Golden and Mother's Choice wheat flour made in Kenya.

In Busia, the Enforcement frustrated a cunning smuggling attempt, seizing a Coca-Cola distributor truck that had concealed over 5 tons of assorted rice. The team had monitored the truck's movements, having suspected it for smuggling rice from the area to Jinja and Kampala.

URA Customs Enforcement team in Kampala successfully busted a smuggling ring specializing in premium tech gadgets.

The three-day operation led to the recovery of uncustomed goods worth UGX 443,362,476 in taxes. The operation recovered a plethora of tech gadgets, including smartphones, Mac computers, tablets, power banks and Bluetooth speakers. The smuggled goods were found in three renowned tech shops located in Kisementi, Pioneer Mall and Lugogo where the trader would import goods into DR Congo and then smuggle them into Uganda through the porous border.

In Entebbe, 781 pieces of smartphones and 108 pieces of button phones estimated to be worth USD 55,000, were seized from several operations at the International Airport. Enforcement officers were treated to hilarious scenes as passengers attempted to smuggle their loot into the country. Some passengers were repeatedly breaking bags on the conveyor belts and sticking their cargo into "hand carry luggage" and other nether regions. Some buried the phones deep in suitcases, mingled with personal belongings that would later be disguised as ordinary baggage. Other smugglers conspired with airport trolley pushers and cleaners hoping to slide their merchandise past customs in unnoticeable travel bags.

Still at the Entebbe International Airport, URA intercepted a pistol concealed in a passenger's baggage. The Entebbe Non-Intrusive Inspection (NII) In-Charge, John Bosco Twesigye said that the scanner revealed the concealed pistol in baggage belonging to a passenger who had disembarked from a Kenya Airways plane

on Sunday. This passenger had no relevant documents to support his possession of the pistol at the time of scanning and was handed over to aviation police for further interrogation.

In October, a successful operation by the URA Malaba Enforcement, in collaboration with Busia Enforcement and other security stakeholders, intercepted a Prado TX UAL 582F loaded with smuggled phones and phone accessories from Kenya.

In Mbale, the enforcement officers encountered a hostile community in Kween as they tried to retrieve a Fuso truck full of 8,400kgs smuggled wheat over the weekend. The 8,400kgs of wheat consisted of 4,440kgs of Pembe wheat flour, 2,280kgs of Pembe wheat flour, and 1,680kgs of Golden wheat flour. All together the truck was loaded with 350 cartons of wheat.

In Tororo, the team foiled a cookware smuggler with undocumented goods consisting of 843 stainless steel cookware, 17 boxes of cookware and dinner sets, 26 Galaxi blenders, 690 Thermo maxx food warmers, and 126 pieces of Alyamamah sofa covers. Later, the team received intelligence about another smuggling attempt involving suspected smuggled Dunia Ngano from Kenya that had been delivered to St Francis of Asses secondary school in IYOLWA Village. On the evening of 01st October, a search of the school premises recovered 45 cartons of Dunia wheat flour weighing 1,080kgs that were hidden in the school's bakery store.

URA continues to engage taxpayers and the business community to educate them about the right processes and procedures to follow while doing business in Uganda. However, where a taxpayer has intentions of breaking the law, enforcement comes into play, which explains the growth in interceptions



Emerging Threats of FinTechs to Revenue Mobilization in Uganda

By Christine Balukusa

Uganda's fintech sector has seen an explosive rise over the past few years, as evidenced by the disruptions it has caused to the traditional banking systems. From mobile money platforms like MTN Mobile Money and Airtel Money to digital lenders and cryptocurrency exchanges, the country has embraced financial technology in ways that are reshaping how Ugandans manage their financial transactions, investments, savings, credit, and more.

However, this growth has also led to challenges in tax compliance. Tax evasion is a significant issue, threatening both the fintech sector's growth and the government's ability to collect revenue for the public good.

In this article, we will explore how tax evasion occurs in the fintech world, why it's such a big problem, and how the government should respond to combat these emerging threats.

Tax Evasion in the Context of Fintechs in Uganda

At its core, tax evasion is an illegal act where taxpayers deliberately reduce their tax liability by under-declaring, under-paying, or failing to declare their appropriate financial positions to the tax body. It can take many

forms, and it's often difficult to detect these schemes due to their dynamic nature, such as the rise of digital wallets, online money lending platforms, and cryptocurrency exchange systems.

Some of the common tax evasion schemes identified in the fintech industry by the financial investigation experts at URA include:

Underreporting Income: Many fintech companies, especially those offering digital financial services in Uganda, underreport the volume of their transactions or generated earnings. With so many transactions happening online, it's easier for companies to misreport their revenue or even hide it entirely with the help of highly sophisticated software. URA has identified this issue, especially involving gaming and betting businesses in Uganda.

Non-disclosure of Foreign Income: Many fintech companies in Uganda operate internationally, meaning they may have income coming from outside the country. Some businesses intentionally fail to report this income to avoid paying taxes on it.

Misclassifying Transactions or Services: Some fintech platforms misclassify their services to evade taxes. For example, some of the companies identified in the investi-

gated schemes were found to classify digital services in a way that minimizes or eliminates their VAT obligations. Additionally, some fintech companies that operate mobile payment platforms have been discovered to categorize their transaction fees as "purely financial services," even though the fees charged for processing the payments fall under taxable services. This allows these companies to avoid collecting VAT on the transactions, among other benefits.

Classifying Workers as Contractors: Some fintech companies misclassify their employees as independent contractors to avoid paying social security and other taxes associated with formal employment, such as PAYE.

Cryptocurrencies: Fintech businesses that deal with digital currencies like Bitcoin or Ethereum can operate across borders, making it difficult for tax officers to track and tax transactions effectively due to their anonymous nature.

Why Is Tax Evasion a Growing Concern in Uganda's Fintech Sector?

High Volumes of Transactions: Many fintech platforms handle an enormous number of small transactions—whether it's mobile money transfers or peer-to-peer lending. With such high volumes, it's easy for companies to underreport or misreport earn-

ings. This creates a huge risk for tax evasion, especially when transactions occur across multiple digital platforms.

Cross-border Activities: One of the unique features of fintech is that it often operates internationally. Money doesn't stay within borders anymore—platforms and users send funds across countries all the time. This complicates the process of taxation, as it's not always clear where the money is coming from or going to. Cryptocurrencies, for example, are completely decentralized, making it even harder for URA to track and tax them.

Complex Business Models: Peer-to-peer lending platforms facilitate connections between lenders and borrowers directly, acting as intermediaries rather than providing the loans themselves. This can lead to confusion about how to tax the business, since they may not follow the same rules that apply to more conventional financial institutions.

Lack of Clear Regulations: Uganda's regulatory framework for fintech is still developing, as indicated by various reports. While the government has made strides in regulating mobile money, other areas of fintech, such as cryptocurrency, remain less clear. The absence of well-defined tax rules can create confusion, which some businesses

might exploit to avoid paying taxes.

The Impact of These Threats on Uganda's Economy

The consequences of tax evasion in the fintech sector go far beyond just the companies involved—it affects the entire Ugandan economy in several ways, including: Loss of tax revenue, unfair competition, damage to public trust in fintech companies and reputational risks for fintechs.

What Can Be Done to Tackle Tax Evasion in Uganda's Fintech Industry?

As Uganda continues to develop its fintech industry, it's essential that both the government and businesses take steps to address tax evasion by ensuring:

Clearer Regulatory Frameworks: Specific regulations that address the tax obligations of fintech companies should be established. These regulations should cover everything from mobile money to cryptocurrencies, ensuring that businesses know exactly what they owe and how to comply.

Using Technology to Monitor Transactions: URA can leverage data analytics, artificial intelligence, and other modern technologies to track and monitor digital transactions. With the right tools, it's possible to detect suspicious activities and ensure businesses are paying the correct taxes.

Collaboration with Fintech Companies:

Rather than maintaining a purely adversarial relationship, URA and fintech companies can work together to ensure compliance. Regular audits, education on tax obligations, and incentives for voluntary compliance can go a long way in promoting good practices within the sector.

Penalties for Non-compliance: Businesses that intentionally evade taxes should face serious penalties. This could include fines, sanctions, or even the suspension of their operating licenses. Clear consequences for non-compliance can serve as a deterrent for others.

Consumer Awareness: Informed consumers are more likely to choose services from companies that are transparent and compliant with tax regulations. Educating consumers about the importance of supporting tax-compliant fintech platforms can help create pressure for businesses to follow the law.

Therefore, it is important to note that tackling tax evasion in fintech is not just about securing government revenue; it's about creating a level playing field where innovation can thrive while contributing to the country's overall development.



Uganda Moves to Protect Cargo Trade with South Sudan

By Annet Nantongo

Uganda Revenue Authority (URA) launched the Electronic Cargo Tracking System (ECTS) in collaboration with South Sudan. This, URA announced in a public notice dated Thursday, November 21, 2024.

According to the public notice, the South Sudan Revenue Authority (SSRA), on behalf of the Government of the Republic of South Sudan, officially launched ECTS on November 13, 2024. This new system is part of the government's ongoing efforts to enhance transparency, accountability, and efficiency in the monitoring of cargo entering South Sudan.

The Electronic Cargo Tracking System is a regional information technology system developed to assist in the electronic tracking of transit goods for the revenue authorities of Uganda, Kenya, Rwanda, and the Democratic Republic of Congo. It was designed not only to account for cargo but also to reduce transit time.

Effective December 1, 2024, URA further urged the public and traders with cargo destined for South Sudan to ensure their

goods are fitted with an electronic seal.

"From December 1, 2024, all cargo shipments destined for South Sudan will be required to be fitted with an electronic seal. A sustainability fee of USD 100 will be charged per electronic seal, and this fee shall be paid at the time of booking," noted Mr. Asadu Kigozi Kisitu, the Ag. Commissioner of Customs.

To help everyone familiarize themselves with the new system, URA conducted a dry run between November 15 and 30, 2024.

For the success of this system, URA urges all stakeholders involved in cross-border trade to South Sudan, including importers, exporters, transporters, and customs agents, to ensure full compliance with the new system from the onset of its full implementation.

The introduction of this electronic system is a key step toward improving the management of transit cargo and enhancing the security and efficiency of supply chains in South Sudan.

RECTS, operationalized in 2014, is one of the

trade facilitation initiatives that were largely advanced by funding partners through Trade Mark East Africa. South Sudan is now the latest East African country to adopt the technology, following Kenya and Rwanda in 2014, and the DRC in 2019.

This system uses GPS/GPRS technology, which fits a tracking device onto target units such as box-body trucks, tankers, or containers ferrying goods under URA's control. The device sends seal status, truck location, and violation information to URA on a real-time basis.

"Once the seal is activated, cargo is monitored from start to destination. Now, everything happening to cargo destined for South Sudan will be recorded and reported simultaneously with the location of occurrence," added Mr. Kisitu.

With this development, traders will be able to easily track lost, destroyed, or tampered cargo. This is because once the system's seal is tampered with, alerts will be sent immediately to the central monitoring center via both email and SMS. URA will then dispatch a rapid response team to address the alerts, even if the cargo simply moves outside the geofenced route.



Waiver of Penalty & Interest

Pay outstanding principal tax as at 30th June 2023 and have your penalties and interest waived.

Deadline: 31st December 2024

How URA is Using Sports to Spread the Gospel of Tax Compliance

By Joshua Niyonshima

In recent years, the Uganda Revenue Authority (URA) has shifted its approach from strict enforcement to a more engaging and educational strategy for promoting tax compliance. The emphasis is now on engage, educate, and enforce only as a last resort. This change aims to empower taxpayers with the information and resources they need to comply voluntarily.

This year, sports played a key role in URA's innovative approach to spreading the gospel of tax compliance.

One of the standout moments came during the inaugural Corporate Sports Network (CSN) dinner, held at Silver Springs Bugolobi, where over 30 corporate entities, both private and public, came together to celebrate sporting excellence.

For URA, this event wasn't just about competition; it was an opportunity to engage with taxpayers on neutral ground not in the context of tax demands but through friendly games and informal conversations. As part of the Corporate Sports Network (CSN), URA's team finished as second, just five points behind the league champions, Tropical Bank. Ignatius Majegwa, URA's star striker, was a standout player, finishing as the league's top scorer with an impressive 36 goals in 34 matches.

Reflecting on his achievement, Majegwa emphasized the teamwork that made his individual success possible. "This was a goal I set for myself at the start of the league. It takes hard work, commitment, and countless hours of training to reach this

level," he said.

Despite their success in football, URA's participated in other sports like volleyball, netball, swimming, pool table, and tag of war, according to Kaduyu Moses, Director of Finance for CSN.

Moses expressed need for URA's more involvement in these events, suggesting that more diverse participation could enhance their chances of stakeholder engagement. "We need more players to step up and represent URA across all the disciplines," he noted.

Kasiye Pavlov, URA's sports coordinator and Supervisor in Domestic Taxes, remained optimistic, praising the team's dedication and promising an even stronger performance next season.

"We may have fallen short by just 5 points, but we're already gearing up for a more determined comeback. We'll reinforce our defence and fine-tune our offensive tactics, focusing on our strengths," he said.

Kasiye also credited URA's leadership for their unwavering support, which is key to the team's continued success.

But URA's use of sports isn't just about winning trophies. The authority has leveraged sporting events like the Fort Portal National Corporate League tournament that happened early December 2024 to raise awareness about key tax initiatives.

At this tournament, attended by over 40 companies, URA took the opportunity to promote the government's waiver on inter-



est and penalties for taxpayers who settle their principal taxes by December 31st, as stipulated in Section 47A of the Tax Procedures Code Act.

Aluma Muzamil, an officer from URA's Client Experience section, addressed the crowd, emphasizing the importance of taking advantage of the tax relief.

"This year, the government has offered to waive fines and penalties for those who pay their principal taxes by December 31st. We urge businesses and individuals to act quickly, as URA services are free and easily accessible online," he said.

The URA team also made their presence felt during the Wazeei Open Volleyball Tournament in July, where they emerged second in the highly competitive event. This victory was not just about sportsmanship

but about deepening ties with taxpayers in a relaxed, non-office environment.

Ivan Kulubya, the team leader, highlighted how sports events allow URA staff to connect with the community in a way that is conducive to improved voluntary tax compliance.

"Staff get an opportunity to get off their desks and interact with the community, fostering better relationships and making it easier for taxpayers to reach out with any questions or concerns," Kulubya explained. Through these sports engagements, URA has successfully transformed the image of tax compliance from a daunting obligation to an inclusive, community-driven activity. In the coming year, URA's commitment to using sports as a platform for tax education and compliance is expected to grow.



Report any unpleasant service from URA staff

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